

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 84-10-C - ORDER NO. 93-638  
JULY 16, 1993

IN RE: Application of GTE Sprint Communications     ) ORDER  
Corporation for a Certificate of Public     ) GRANTING  
Convenience and Necessity to Offer     ) MOTION FOR  
Intercity Telecommunications Services to     ) CLARIFICATION  
the Public in the State of South Carolina. )

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Motion for Clarification and/or Amendment to Commission Order, filed on June 30, 1993, by Sprint Communications Company L. P. (Sprint). In its Motion, Sprint requests the elimination of publication requirements for rate decreases.

GTE Sprint Communications Corporation filed an Application for a Certificate of Public Convenience and Necessity with the Commission on February 3, 1984. In its Application, Sprint requested state-wide authority to provide interLATA as well as intraLATA telecommunications services to the general public in the State of South Carolina.

On August 2, 1984, the Commission issued its Order No. 84-622, granting in part Sprint's Application for a Certificate of Public Convenience and Necessity to provide telecommunications services in the State of South Carolina. Specifically, the

Commission authorized a provision of interLATA telecommunications services and, in so doing, denied Sprint's request for intraLATA authority. As a condition of certification, the Commission set forth certain requirements in its Order with which Sprint must comply. The Commission adopted a rate design for Sprint that includes a maximum rate level for each tariff change. Adjustments to tariffed rates above the maximum level constitute a general rate proceeding and would require a hearing along with stringent publication requirements. Adjustments of rates below the maximum, or even a modification of an existing rate, would not constitute a general ratemaking proceeding, since prior approval of the maximum constitutes approval of each and every lower rate level.

In its Order, the Commission held that rate and tariff adjustments below the approved maximum levels should not be approved without notice to the Commission, as well as to the general public. The Commission currently requires fourteen (14) days notice for increases or decreases below the maximum rate levels. All rate changes must presently be noticed in newspapers with state-wide circulation. Consequently, Sprint is required to notify customers via newspaper publications for every tariff filed with the Commission. For rate changes below the maximum, Sprint prepares and publishes the notices. For rate changes outside the maximum and for new services, the Commission prepares the notice and Sprint publishes. Sprint is then required to return proof of publication to the Commission by the applicable date.

Sprint has requested the elimination of publication

requirements for rate decreases. Sprint believes that there is no justification for the notice requirement for this type of filing. Sprint alleges that it incurs great expense in filing notices of rate reductions, and that such costs can actually act as a disincentive to Sprint and other carriers with maximum rate levels in filing for rate reductions. Sprint notes that the Commission has the authority to waive its rules and regulations upon a finding that such a waiver is in the public interest, and that further, with the exception of when general schedules and rate charges are involved, S. C. Code Ann., §58-9-530 specifically provides for dispensing with a notice requirement for rate changes.

The Commission has examined this matter and generally agrees with the concepts described in Sprint's Motion. The Commission believes that it is no longer necessary for carriers such as Sprint to publish notice of rate decreases, with the exception of when general schedule and rate changes are involved. The Commission believes that advertisement of rate reductions could indeed act as a disincentive to such reductions. Therefore, the Commission grants Sprint's request to waive the public notice requirement for reductions below the maximum caps in instances which do not constitute general rate decreases, or which do not affect the general body of subscribers. Further, the Commission believes that Sprint has stated a reasonable case to extend this policy to all telecommunications companies regulated under a maximum cap methodology.

IT IS THEREFORE ORDERED THAT:

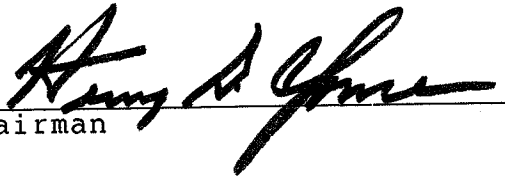
1. Sprint's Motion for Clarification and/or Amendment to Order No. 84-622 is granted.

2. That the requirement for public notice for reductions below the maximum cap in instances which do not affect the general body of subscribers, or do not constitute a general rate reduction is hereby abolished.

3. That this policy is applicable to Sprint and all other telecommunications companies which are regulated under a maximum cap methodology.

4. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Deputy Executive Director

(SEAL)